

24 May 2024

Final report by the Complaints Commissioner**Complaint numbers 202300496 and 202300675***The complaint*

1. On 3rd of October 2023 and, subsequently, on 5th January 2024, you asked my office to review a complaint about the FCA and its handling of Safe Hands Plans Limited (“Safe Hands”), some Elements of which are not upheld and some are excluded.

Your FCA complaint

2. In your complaint to the FCA you raised the following points:

“ Part One: From 1999 to 2016, the Government failed to make the general public aware that funeral plans carried a considerable risk of not delivering the product for which the customer had paid.

Part Two: You state that Issues about Safe Hands were flagged up to the FCA in 2017 but no action was taken, and no warnings given to customers.

Part Three: The FCA were negligent in their duty of care to customers in allowing Safe Hands Funeral Plans to mislead their customers by putting clauses in their funeral plan contracts which stated that customer funds were secured in a ring-fenced Trust Fund, and claiming that customer’s funds would be safe even if Safe Hands Funeral Plans went into liquidation.

Part Four: The FSA/FCA had been made aware of the need for further regulation by a Treasury press release in 1999, but they failed to implement and regulate these additional consumer protections.

Part Five: Safe Hands Funeral Plans changed ownership in 2018, but there was no requirement for existing customers to be informed of this change. The FCA failed in its duty of care and allowed this to happen without requiring the knowledge or consent of consumers, or regulating to allow customers the ability to withdraw all of their funds in these circumstances.

Part Six: The FCA took no steps to prevent fund managers moving funds out of UK legal jurisdiction, again failing to implement the promised protection of customer funds.

Part Seven: FCA inactivity between 1999 and 2022 has allowed fraudsters to defraud and profit from mis-selling their products to vulnerable customers. It rewards criminals at the expense of honest citizens.

Part Eight: The FCA was negligent not to make registration compulsory for all companies (by July 2022) with current plan holders, like myself, to protect them against default by these companies. It should have been obvious that unscrupulous providers would not register.

Part Nine: The FCA has failed to respond to your correspondence in a timely manner which amounts to a lack of duty of care and deliberate procrastination.”

What the regulator decided

3. The FCA decided as follows:
 - 3.1. Not to uphold Part Two of your complaint;
 - 3.2. Partially uphold Part Nine of your complaint;
 - 3.3. Not to investigate Parts One, Three, Four, Five, Six and Eight because they were outside of the Scheme’s remit as they did not “*appear to arise in connection to the FCA’s exercise of, or failure to exercise, any of their relevant functions. The ‘relevant functions’ of the FCA are defined in the Complaints Scheme and Part 6 of the Financial Services Act 2012, and broadly speaking cover the FCA’s regulatory functions that arise under the Financial Services and Markets Act 2000, or such other functions as may be ordered by HM Treasury.*”
 - 3.4. Whilst the decision not to investigate Part Seven was initially based on the conclusion that “*..Paragraph 3.5 of the Complaints Scheme provides that we*

[the FCA] will not investigate complaints that we reasonably consider amount to no more than dissatisfaction with our general policies or with the exercise of, or failure to exercise, a discretion where no unreasonable, unprofessional or other misconduct is alleged.” ; following a request made by my office to re-visit their response to Part Seven of your complaint, the FCA determined that this allegation was also excluded from the FCA’s Complaints Scheme because it did not *“arise in connection with the exercise of, or failure to exercise any of the FCA’s relevant functions.”*

Why you are unhappy with the regulator’s decision

4. You are dissatisfied with the way the FCA has dealt with your complaint and consider that they have been *“slow to investigate, and act, to prevent sharp business practices and fraudulent action by the unscrupulous directors of Safe Hands Plans Ltd.”* You hold the FCA responsible for the financial loss you have suffered as a result of Safe Hands Plans Limited going into administration and wish to be reimbursed the full cost of your funeral plan, namely £3155 less the ex-gratia payment of £200 received from the FCA on 21st September 2023 plus interest based on the Late payments of Commercial Debts (Interest) Act 1998 (although you will consider waiving your claim to late payment interest provided your claim is settled, in full, within one calendar month of receipt of this complaint.)

Preliminary points

5. The Funeral Planning Authority (FPA) was a self-regulating body set up by the pre-paid funeral plan industry to regulate plan providers. I am unable to review any complaints about actions, or inactions, of the FPA as it is not within the scope of the Scheme.

Background to Safe Hands and the FCA’s Regulation

6. By way of background information, Safe Hands was incorporated on 30th January 2014 to provide pre-paid funeral plans to plan holders.
7. At the time, the regulatory regime applicable to funeral plan providers contained an exemption set out in Article 60 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (RAO) . Those, that could satisfy the requirements of Article 60(1)(b) of the (RAO), were exempt from applying to the

FCA (previously FSA) for authorisation. The FCA's decision letter provides a helpful summary on the regulatory background and, for ease of reference, this is included in Annex 1 to this report.

8. Safe Hands set out to operate in accordance with Article 60(1)(b) of the RAO.
9. You, wishing to have the comfort of knowing that your funeral costs would be covered, entered into a pre-paid funeral plan with SH on 20th July 2016.
10. On 23rd March 2022, Safe Hands went into administration leaving some 46,000 plan holders, including yourself, concerned about the effect this would have on the payments made.
11. Upon learning from the administrators that the above was unlikely and, in hope of receiving reimbursement for the loss suffered, on 11th September 2022, you filed a complaint with the FCA regarding their regulation of Safe Hands, on which you received a decision only on 13th September 2023.

My analysis

12. I have considered the allegations and I have reviewed the underlying FCA's file and I set out my findings below. Where Parts of your complaint to my office were on a related issue, I have grouped them together under the same Element.
13. In summary, the FCA had no power to take any action in relation to the issues which are the subject of your complaint. I am extremely sympathetic to your situation, however, your best option now is to raise these issues with your MP.
14. Theoretically, the regulator had power to take action in respect of the IMF, however please see Element Six, further below.
15. Further, you are correct in that the FCA has the Unauthorised Business department (UBD), whose responsibilities relate to the monitoring firms who are conducting regulated activities without authorisation. Having reviewed the file, at the time of signing your contract and thereafter, SH were operating in accordance with the Article 60 exemption. Hence, the UBD had no reason to be concerned (see further para 29 below).

Element One

16. *“Part One: From 1999 to 2016, the Government failed to make the general public aware that funeral plans carried a considerable risk of not delivering the product for which the customer had paid.”*
17. The FCA’s response was that they are: *“..an independent non-Government body and as such we are not able to investigate or answer allegations directed towards the Government. We would instead suggest that you should raise this matter with the Treasury or your local Member of Parliament if you have not done so already.”*
18. In your complaint to my office, you stated that: *“Most consumers would consider the FCA to be an arm of the Government. Trying to suggest that allegations should be directed to the Treasury or MPs is just buck passing by the FCA.”*
19. Your Part One allegation specifically referred to the Government’s, not the FCA’s, failure to make consumers aware of potential risks associated with funeral plans. By responding the way they did, the FCA did not attempt to walk away from responsibility; they simply addressed your complaint and clarified that they are an independent financial regulatory body whose functions do not include subjecting the Government to scrutiny. They also provided advice as to who might be better placed to help you with your grievance.
20. If, however, in your Part One allegation by “Government” you meant the FCA, then I would like to advise that the FCA operates within the strict regulatory framework established by Parliament. This framework exempted pre-paid funeral plan providers compliant with Article 60 of the RAO from obtaining FCA approval. Therefore, in the absence of signs of a breach of Article 60, the FCA were powerless to take any action in relation to such plan providers.
21. I note that the FCA decided not to investigate Part One of your complaint on the basis that it was excluded from the scope of the Complaints Scheme. The Scheme is aimed at dealing with complaints arising out of the exercise of, or failure to exercise, any of the FCA’s relevant functions. The relevant functions do not extend to unregulated firms (unless they are conducting regulated activity).

22. Therefore, I agree with the FCA and conclude that Element One of your Complaint is excluded from the Scheme on the basis that it is not in relation to the FCA's relevant functions.

Element Two

23. *"Part Two: You state that Issues about Safe Hands were flagged up to the FCA in 2017 but no action was taken, and no warnings given to customers."*

24. Having investigated Part Two of your complaint, the FCA determined that they were: *"..unable to uphold Part Two of your complaint. Our rationale can be set out as follows: The FCA conducted work with the Directors and legal advisors of Safe Hands during the early years of its inception, and whilst concerns were raised by Dignity and Fairer Finance about Safe Hands in 2017, these concerns did not amount to evidence of Safe Hands failing to adhere to the exemption criteria set out in Article 60. The concerns raised by Dignity and Fairer Finance relating to Safe Hands in 2017 were not matters which fell within the FCA's regulatory remit to resolve, and they were instead matters for the FPA (of which Safe Hands became a member in 2019) and the NFFD. The FCA's powers over firms that were not FCA-regulated prior to July 2022 were limited in comparison with the powers that we now hold over regulated funeral planning firms."*

25. You included the following response in your complaint to my office: *"When all funeral plan companies chose to operate outside of the FCA regulatory framework using Article 60 of the RAO (not disclosed to customers by Safe Hands Funeral Plans Ltd) did this not raise suspicion that the industry was avoiding regulation and potentially putting customer funds at risk. This should have prompted the FCA to ask for the repeal of Article 60, to correct this situation and protect customer funds. The FCA is the regulator, and should have been advising the Government, not the other way round."*

26. I note that your Part Two question for the FCA is different from the one you addressed to my office. Generally, it is standard practice for the FCA to have an opportunity to comment on new issues first. However, in this instance, I am happy to consider your point.

27. The Article 60 exemption was introduced to enable companies to provide pre-paid funeral plans without the need to obtain FCA authorisation provided certain

criteria were met. Parliament determined what exemptions were appropriate and firms were entitled to act within them. Therefore, the fact that most companies chose to avail themselves of the exemption did not raise suspicion. It did not amount to wrongdoing on their part.

28. From the evidence on file, I can see that the FCA did participate in meetings with various government representatives, industry representatives (Fairer Finance, other funeral plan providers like Dignity), and the FPA on the state of the funeral plan industry. However, setting legislation is a matter for Parliament, not the FCA. Ultimately, and presumably partly due to such discussions, parliament decided to change the law.
29. Finally, it is a fact that the FCA do not continually monitor compliance with the exemption of unregulated firms once the breach has been resolved. This is part of their risk-based approach to supervision in light of their limited resources. Therefore, I do not uphold this element of complaint.

Element Three

30. *“Part Three: The FCA were negligent in their duty of care to customers in allowing Safe Hands Funeral Plans to mislead their customers by putting clauses in their funeral plan contracts which stated that customer funds were secured in a ring-fenced Trust Fund, and claiming that customer’s funds would be safe even if Safe Hands Funeral Plans went into liquidation.”*
31. The FCA advised that it: *“...did not authorise or regulate Safe Hands so this allegation is out of scope under paragraph 1.1 of the Complaints Scheme. As Safe Hands claimed to operate under the exclusion criteria of Article 60 of the RAO, The FCA had no remit to monitor the terms and conditions of their customer contracts, this would instead be a matter for the Competition and Markets Authority. The accuracy or inaccuracy of Safe Hands’ marketing materials would be a matter for the industry self-regulators - the NFFD and the Funeral Planning Authority.”*
32. You consider that: *“Stating that the FCA has no remit to monitor the terms and conditions of Safe Hands customer contracts is total abdication of responsibility by the FCA. Suggesting that the accuracy of legal contract information should be*

monitored by an industry marketing body is ludicrous. It demonstrates that the Financial Conduct Authority, in its present form, is not fit for purpose.”

33. I understand your frustration at the fact that individuals were able to exploit the legislation to the detriment of the public. Whilst I can see that the wording, which you state was included in your Safe Hands contract, was unhelpful, the FCA had a limited role regarding companies falling within the Article 60 exemption and this did not include the monitoring of terms and conditions of such firms. It had no power under the legislation to do this.

34. Further, the FCA did not suggest that customer contracts should have been reviewed by an industry marketing body; instead, they said that any SH: “.. marketing materials would be a matter for the industry self-regulators”. In other words, any means SH used to advertise their funeral plans, such as leaflets, tv advertisements, etc., should have been scrutinised by the NFFD and the Funeral Planning Authority (FPA). Therefore, I do not uphold this element of complaint.

Element Four

35. *“Part Four: The FSA/FCA had been made aware of the need for further regulation by a Treasury press release in 1999, but they failed to implement and regulate these additional consumer protections.”*

36. The FCA’s response was: *“Whilst the Financial Services and Markets Act empowered the FCA to lay down specific rules and regulations for pre-payment funeral plans to follow, this only applied to those firms which were not excluded from FCA regulation by Article 60(1)(b). In practice, due to the availability of the exclusion, no funeral plan providers chose to operate in this space. Patricia Hewitt confirmed this during the launch of her consultation document on 14/01/1999 “We want to ensure pre-payment plans are properly regulated. But where plan providers make the necessary safeguards they can be exempted from regulation by the FSA”. This part of your allegation therefore falls outside of the scope of the Complaints Scheme as the FCA does not determine what activity they regulate. This is determined through parliament via legislation. We therefore advise that if you would like to pursue this matter further then it should be raised with the Treasury or via your local MP.”*

37. In your opinion: “ *The FCA does not determine what activity they regulate’. Buck passing, but it demonstrates that the FCA cannot claim to be an effective regulator, and is not fit for purpose.*”
38. “*Part Seven: FCA inactivity between 1999 and 2022 has allowed fraudsters to defraud and profit from mis-selling their products to vulnerable customers. It rewards criminals at the expense of honest citizens.*”
39. Following their re-review of Part Seven of your complaint, the FCA advised that: “*Safe Hands was not and has never been regulated by the FCA. As such it was not subject to the monitoring, oversight or supervision that we are resourced to undertake with regulated firms and individuals. Our powers to act against unregulated firms are clearly set out on our website. This states: “generally speaking, the FCA does not have powers to act in relation to non-authorised firms conducting activities which do not require authorisation by us.*”
40. In your complaint to my office, you stated that: “*The FCA refuses to investigate complaints that they consider dissatisfaction with their general policies’. The Financial Conduct Authority is set up to protect consumers against theft and fraud from badly run or unscrupulous companies. You have certainly not done this in my case, which has resulted in a loss of £3155 of my funds. You had several chances to act to protect the funds of Safe Hands customers. You claim that your remit does not allow you to act, so why did you not ask the Government for greater powers?*”
41. “*Part Eight: The FCA was negligent not to make registration compulsory for all companies (by July 2022) with current plan holders, like myself, to protect them against default by these companies. It should have been obvious that unscrupulous providers would not register.*”
42. The FCA decided that this part of your complaint was outside of the scope of the Complaints Scheme because: “*the FCA does not get to decide which companies we can and cannot regulate as these matters are set out in legislation. As per Part One of your complaint, we would suggest that if you wanted to pursue this matter further then you could raise it with the Treasury and/or your local Member of Parliament.*”

43. In your complaint to my office, you stated that: *“The FCA was negligent in not making registration compulsory for all funeral plan companies with pre-existing plan holders like me. This is the worst of your abdications of responsibility.”*
44. The crux of this aspect of your complaint was that the FCA failed to put in place sufficient regulation to protect consumers. You also feel that by drawing a distinction between rule-making and rule application, the FCA merely tried to shirk their responsibility.
45. In response to your complaint, the FCA does not have the power to pass laws – only Parliament can legislate. If Parliament, by virtue of the exemption in Article 60 of the RAO, decided to allow funeral plan providers to dispense with the need to obtain FCA authorisation, the FCA could not then override that piece of legislation and prescribe its own set of rules.

Element Five

46. *“Part Five: Safe Hands Funeral Plans changed ownership in 2018, but there was no requirement for existing customers to be informed of this change. The FCA failed in its duty of care and allowed this to happen without requiring the knowledge or consent of consumers, or regulating to allow customers the ability to withdraw all of their funds in these circumstances.”*
47. The FCA did not investigate this part of your complaint because: *“Safe Hands was not regulated by the FCA and as such, any monitoring of the ownership status of this company was not a relevant function of the FCA. The limited remit of the FCA in relation to non-FCA regulated funeral plan providers such as Safe Hands, (pre July 2022) is covered in more detail later on in this letter.”*
48. In response to the FCA’s decision letter, you state that: *“Failing to regulate to ensure that customers are notified of a change of ownership of a company, that resulted in a material loss of customer funds is a serious breach of consumer protection.”*
49. I note that the FCA agreed that they had a limited role in respect of funeral plan providers who operated on the basis of the exemption in Article 60 of the RAO. Their remit was to “police the perimeter” between firms that were compliant with

the exemption requirements and those that failed to adhere to the criteria set out in Article 60 of the RAO¹.

50. Again given Safe Hands' exempt status, there was no obligation on them to notify the FCA of the change of ownership. The FCA had no power to require them to do so, therefore, I agree with the FCA's decision and do not uphold Element Five of your complaint on the basis that no rules were broken at the time.

Element Six

51. *"Part Six: The FCA took no steps to prevent fund managers moving funds out of UK legal jurisdiction, again failing to implement the promised protection of customer funds."*

52. To which the FCA's response was: *"There were no restrictions in Article 60(1)(b) to prevent a pre-paid funeral plan's Independent Fund Manager from moving the funds of a trust-based funeral provider outside of the UK jurisdiction. It was instead up to each firm's Trustees to ensure that their Independent Fund Manager(s) were managing investments in line with their contract and their agreed investment strategy. The FCA did not regulate Safe Hands or their trustees, therefore this part is also outside of the scope of the Complaints Scheme."*

53. In your complaint to my office, you stated that: *"It is a severe abdication of responsibility and 'duty of care' to consumers that the FCA can allow unscrupulous directors of companies to transfer customer funds out of U.K. jurisdiction and invest in 'high -risk illiquid funds'. Why was the FCA not acting against the trustees of these 'ring fenced funds' that allowed this to happen? Customers were not informed by the company of these actions, but where were the FCA? Why did the FCA not issue warnings to customers to protect them?"*

54. As explained above, the FCA had no power to take action against either SH or the Trustees.

55. Whilst the FCA had the authority to monitor the FCA-regulated Independent Fund Manager (IFM), they had no reason to be concerned about the IFM's actions on

¹ P.10 of the FCA Decision Letter dated 13th September 2023

the basis that the legislation, nor any FCA Rules precluded the movement of funds out of the UK jurisdiction.

56. There is currently an investigation by the Serious Fraud office (SFO) into SH, which does have the remit to investigate allegations of fraud in the circumstances.

Element Seven

57. *“Part Nine: The FCA has failed to respond to your correspondence in a timely manner which amounts to a lack of duty of care and deliberate procrastination.”*

58. *The FCA’s response was as follows: “It is clear from a review of your case that we made errors during our scoping of your initial complaint letter, and that there were shortcomings in our level of service during subsequent correspondence with you. In addition, the time that we took to correctly scope and respond to each of your allegations has fallen short of the high standards that we set ourselves. Having said this, the investigation of the allegations you raised involved complex matters and took longer than anticipated to properly investigate, but at no point during our review of your file did we find any evidence of deliberate procrastination on our part. For these reasons, we are partially upholding part Nine of your complaint, and we would like to say sorry for the errors and delays you experienced in our handling of your complaint. We would also like to offer you an Ex-Gratia Payment of £200. This is made up of £50 for any stress or inconvenience caused by the shortcomings in our handling of your complaint, and a further £150 for the length of time that it has taken to provide you with our response.”*

59. In your complaint to my office, you stated that: *“Offer of Insulting small Ex Gratia Payment - The FCA admits it made errors in the scoping of my complaint and has offered an Ex Gratia payment of £200. I lost £3155 due to the inadequate regulation of Safe Hands Funeral Plans by the FCA. £200 pounds (6%) of the £3155 is entirely inadequate compensation for my loss. Prompt action by a competent regulator would have warned me and prevented **any** loss. The FCA even has the cheek to break down the cost of the compensation. They rate my time for writing ten long letters and replying to FCA excuse Emails at £50. This took at least twenty hours of my time so you rate my labour cost at £2.50/hr. I*

suggest that you pay all FCA staff at £2.50 per hour and use the savings to pay back the full £3155 that your lackadaisical regulation cost me. The £150 does not begin to compensate me for the stress. I have no relatives, and tried to do the right thing by planning my funeral. I certainly would not trust any other funeral company with my money after the Safe Hands experience. Your £200 offer is just trying it on to see what I will accept and you can get away with. I will take it as a down payment, but I expect you to increase your compensation to meet the full amount that I claimed.”

60. Whilst taking a year to process, albeit a complex complaint, does seem excessive, the FCA were apologetic about the delay in responding to you and dealing with your complaint. The ex-gratia payment of £200 was in respect of the sub-standard service you received. It was not an attempt to quantify the time and effort you invested into, or the stress you have suffered by bringing this matter to light.
61. To conclude, I agree with the FCA’s approach and their decision to uphold Part Nine of your complaint. In the circumstances, I consider the level of compensation to be appropriate and, therefore, cannot uphold Element Seven of your complaint to my office.
62. I note that your desired outcome is to be reimbursed the full cost of your funeral plan, namely £3155 less the ex-gratia payment of £200 received from the FCA on 21st September 2023 plus interest based on the Late payments of Commercial Debts (Interest) Act 1998 (although you will consider waiving your claim to late payment interest provided your claim is settled, in full, within one calendar month of receipt of this complaint).
63. I truly sympathise with your situation and appreciate why you might feel that nothing less than a full reimbursement of the sum lost would be an adequate compensation for the ordeal you had to go through as a result of SH falling into administration. All you tried to do was to make arrangements to take care of your funeral costs to ensure you are not a burden on the society or the public purse.
64. However, I also appreciate that the FCA had to operate within the constraints imposed by the legislation, which permitted intervention in very specific

circumstances, namely where there was a clear breach of Article 60 requirements.

65. Having reviewed the file, I can see that the FCA were proactive in terms of obtaining information on Safe Hands and engaging in dialogue with them in order to prepare the company for the upcoming regulation. Given the circumstances, the FCA fulfilled their responsibility and, therefore, I am unable to recommend reimbursement of your fees.

66. Therefore I am unable to recommend that the FCA offer you compensation for your loss.

67. Having received your comments on the PR, I understand you will find this outcome disappointing. However, to reiterate, prior to the change in the legislation, the FCA could only intervene if there were clear signs of breach of Article 60, which, based on the information on the file, was not the case following the FCA's involvement between 2014-2016.

My decision

68. In view of the above, I agree with the FCA that some elements of your complaint are excluded, and some not upheld.

Rachel Kent
Complaints Commissioner
24 May 2024

ANNEX 1

“Regulatory Background

In January 1999, the Treasury issued a consultation document entitled ‘Regulation of the pre-paid funeral industry’ to garner industry and broader opinion on the regulatory options available to deal with the growing pre-paid funeral market. This consultation was announced by the Economic Secretary to the Treasury Patricia Hewitt on 14 January 1999.

The Treasury identified two main financial risks associated with pre-paid funeral plans:

- i) That the money consumers have paid will disappear either through fraud or because a plan provider goes out of business*
- ii) That the money will not be sufficient to pay for the expected funeral*

The Treasury did not believe that all firms providing funeral plans needed to be brought into the financial regulatory net. Instead, the Treasury looked to industry to come up with alternative arrangements to ensure that their plans provided sufficient protection to consumers. The consultation process eventually resulted in the passing of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (RAO), which stipulated a set of conditions through which funeral plan firms could be excluded from FSA (and later FCA) regulation.

Whilst the Financial Services and Markets Act empowered the FSA/FCA to lay down specific rules and regulations for the pre-paid funeral firms that were not excluded, in practice, all pre-payment funeral plan firms chose to operate via the exclusion route.

Safe Hands was set up to operate outside of the FCA’s regulatory framework by virtue of its reliance on the exclusion at Article 60(1)(b) of the RAO. This provision exempted funeral plan contracts from regulation where the provider undertook to secure that all funds paid by the customer under the contract would be held on trust for the purpose of providing the funeral, and that the following requirements are or will be met with respect to the trust:

- (i) the trust must be established by a written instrument;*
- (ii) more than half of the trustees must be unconnected with the provider;*
- (iii) the trustees must appoint, or have appointed, an independent fund manager who is an authorised person who has permission to carry on an activity of the kind specified by article 37, and who is a person who is unconnected with the provider, to manage the assets of the trust;*
- (iv) annual accounts must be prepared, and audited by a person who is eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006, with respect to the assets and liabilities of the trust; and*
- (v) the assets and liabilities of the trust must, at least once every three years, be determined, calculated and verified by an actuary who is a Fellow of the Institute and Faculty of Actuaries.*

All trust-based funeral planning firms acting in accordance with Article 60(1)(b) criteria (i) – (v) were therefore excluded from FCA (or, before April 2013, FSA) authorisation. The exclusion criterion was introduced in 2001 because the Government at that time considered that plans which met the conditions afforded sufficient consumer protection such that their providers did not require authorisation. Due to the availability of this exclusion, no funeral plan providers operating in this space, including Safe Hands, had obtained authorisation from the FCA before 29 July 2022. The Government later issued a second consultation on changing legislation to require all funeral plan providers to be authorised and regulated by the FCA. Following this, new legislation was made in January 2021.”